

New York State Bridge Authority Audit Committee Meeting Minutes of October 20, 2011

The New York State Bridge Authority's Audit Committee met at the Authority's Headquarters in Highland, New York, at 3:10 p.m. on October 20, 2011.

In addition to Audit Committee Chairman Francis Vecellio and Committee members C. Vane Lashua and with the absence of Roger P. Higgins, those in attendance included:

Roderick O. Dressel
Richard A. Gerentine
C. Vane Lashua
Joseph Ramaglia
Joseph Ruggiero
Brian Bushek
Carl G. Whitbeck, Jr., Esq.

Upon a motion made by Chairman Vecellio and seconded by Mr. Lashua the minutes of the September 29, 2011 meeting were approved unanimously.

Mr. Bushek apprised the Audit members regarding the Toski, Schaefer & Co., 2011 Engagement Letter which explains how the audit will progress and help the Audit members understand the parameters of the review. Mr. Bushek added that it explains managements responsibilities and the the responsibility of the Auditor.

Upon a motion made by Chairman Vecellio and seconded by Mr. Lashua, the Toski, Schaefer & Co., 2011 Engagement letter was approved.

A report was made by Mr. Bushek regarding Agreed Upon Procedures for Toll Increase Review which was explained that in Section 2804 of Public Authorities Law is part of the process of a toll increase. The comptroller shall review any proposed increase or imposition in fees, tolls or other charges, and the report required by subdivision one of this section and within sixty days make public a report of his findings, conclusions and recommendations. Mr. Bushek further explained that a copy of the comptroller's report shall be sent to the authority or commission, the governor, chairman of the senate finance committee, chairman of the assembly ways and means committee and ranking minority member of each of such committees. In discussion with Bond Counsel, this law was declared unconstitutional. Comptroller may, but was found not to be required, to review and comment. The approach has been to submit the package to the Comptroller to allow the option to review.

The Authority has contacted the Auditor, Toski, Schaefer & Co. to obtain an opinion on whether the financial disclosure report provided by the Authority indicates the need for the toll increase proposed.

Upon a motion made by Chairman Vecellio and seconded by Mr. Lashua, the Agreed Upon Procedures for Toll Increase was approved and will be sent to the full Board with the Committee's recommendation for adoption.

A report was made by Mr. Bushek regarding the Contract for Internal Auditor which was advertised in the NYS Contract Reporter and NYSBA's website for a contract internal auditor to assist in compliance with the Internal Control Act. Specifically the RFP requested a qualified firm perform a risk assessment, development of an audit plan, perform audit work, and issue a report of findings within specified time frames associated with NYSBA's reporting requirements. Having analyzed the proposals, contacted references, and spoken directly with the firm, Mr. Bushek's recommendation is that NYSBA awards the three one year contracts for Internal Auditor to Tronconi, Segarra & Associates LLP. A brief discussion ensued regarding the significant difference in bids.

Upon a motion made by Chairman Vecellio and seconded by Mr. Lashua, the Contract for Internal Auditor was approved and will be sent to the full Board with the Committee's recommendation for adoption.

Having no other business, the meeting adjourned at 3:15 pm.